

**REPORT ON
CLERK OF THE CIRCUIT COURT
of the
COUNTY OF CULPEPER, VIRGINIA
PATRICIA M. PAYNE**

**FOR THE PERIOD
JANUARY 1, 2004 THROUGH MARCH 31, 2005**



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Commonwealth of Virginia

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

Walter J. Kucharski, Auditor

May 10, 2005

The Honorable Patricia M. Payne
Clerk of the Circuit Court
County of Culpeper

Board of Supervisors
County of Culpeper

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Culpeper for the period January 1, 2004 through March 31, 2005.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

Court management has responsibility for establishing and maintaining internal controls and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Our audit was more limited than would be necessary to provide assurance on internal controls or to provide an opinion on overall compliance with laws and regulations. Because of inherent limitations in internal controls, errors, irregularities, or noncompliance may nevertheless occur and not be detected. Also, projecting the evaluation of internal controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions or that the effectiveness of the design and operation of controls may deteriorate.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system.

However we noted a certain matter involving internal control and its operation that we consider to be a reportable condition. A reportable condition involves a matter coming to our attention relating to a deficiency in the design or operation of internal controls that, in our judgment, could reasonably lead to the loss of revenues or assets, or otherwise compromise fiscal

accountability. The reportable condition is discussed in the section titled “Internal Control and Compliance Findings and Auditor’s Recommendations.”

We do not believe this condition is a material weakness. A material weakness is a significant deficiency in the design or operation of internal controls that, in our judgment, could reasonably lead to the loss of revenues or assets, or otherwise compromise fiscal accountability and go undetected.

The results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance that are required to be reported.

We discussed these comments with the Clerk on May 10, 2005 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:slb

cc: The Honorable Daniel R. Bouton, Chief Judge
Frank Bossio, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Paul Delosh, Director of Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts

INTERNAL CONTROL AND COMPLIANCE FINDINGS AND AUDITOR'S RECOMMENDATIONS

The following finding is a reportable internal control matter that could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability. The Clerk's response and written corrective action plan to remediate these findings are included as an enclosure to this report.

Calculate Accurate Due Dates

Court staff did not consistently calculate accurate payment due dates for criminal cases where sentencing included confinement. In six of the 15 confinement cases tested, court staff miscalculated individual accounts receivable due dates. We found incorrect due dates ranging from sixty days to ten years. Further, court staff failed to accurately document due date changes on the Financial Management System. Failing to properly calculate due dates could seriously hinder or delay the collection of fines, costs, and fees because delinquent collection actions such as license suspension would be delayed.

Absent a court order or a signed payment agreement, all fines and costs are payable immediately upon sentencing in accordance with Section 19.2-354 of the Code of Virginia. The Clerk should ensure that staff calculate correct due dates based on these factors.

CULPEPER COUNTY CIRCUIT COURT
PATRICIA M. PAYNE, CLERK
135 W. CAMERON STREET
CULPEPER, VIRGINIA 22701-3097
540-727-3438
May 10, 2005

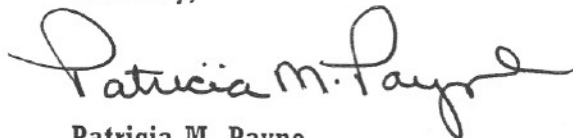
Auditor of Public Accounts
P. O. Box 1295
Richmond, Virginia 23218

Mr. Shepard:

In response to the auditor's finding of my court, I have talked with court staff that is in charge of calculating payment due dates for criminal cases. The draft of the auditors was shown of court staff with instructions from me to ensure correct dates were entered on the Financial Management System based on the court orders.

Also, I am requesting an audit of me office thru June 30, 2005. I am retiring as Clerk of the Circuit Court at the close business on June 30, 2005.

Sincerely,

A handwritten signature in cursive script that reads "Patricia M. Payne". The signature is written in dark ink and is positioned above the printed name and title.

Patricia M. Payne
Clerk

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